

RE: Carryover Certification

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Dear :

Enclosed is the Taxpayer Carryover Certification for the captioned project that received 200 Low Income Housing Tax Credits and has not yet been placed in service.

The Agency has reserved credits for your project from the calendar year 200 credit ceiling. If your project will not be placed in service by December 31, 200 , you must return the enclosed certification to the Agency by 4:30 p.m. , 200 . If expenditures have not satisfied the required 10% minimum by this date, please notify the Agency in writing on or before , 200 , so that the Agency may determine whether to rescind the credit reservation or to permit additional time to meet the 10% expenditure requirement. Please complete the attached Project Schedule and evidence, in column I thereon, the benchmarks submitted with your application for tax credits and in column II, any revisions thereto. If additional space is required to provide the requested information, please record the data on a separate page in the same manner listed in the certification.

DO NOT COMPLETE THE CARRYOVER CERTIFICATION IF YOUR PROJECT HAS BEEN PLACED IN SERVICE AND COST CERTIFICATION IS EXPECTED TO BE COMPLETED BY DECEMBER 15, 200 .

The Taxpayer must provide, along with the Carryover Certification, written certification from an attorney or certified public accountant (CPA) that all eligible costs incurred with respect to the project have been examined and that, based upon this examination, it is the belief of the attorney or CPA that the Taxpayer has incurred more than 10% of the reasonable expected basis in the project as of , 200 .

The attorney or CPA certification must specifically include the following in the opinion:

- (i) *that the attorney or CPA has reviewed the supporting documentation for eligible costs in connection with this carryforward certification and has further examined all eligible costs incurred with respect to the project establishing the tax basis of _____ dollars (\$_____) claimed by the taxpayer through the end of calendar year 200 ;*
- (ii) *the reasonably expected basis of the project as of the end of calendar year 200 is _____ dollars (\$_____), a dollar amount which either has not changed since the Application for Tax Credits was processed or, if such dollar amount has changed since the application was processed, is \$ (less than _____% of the amount specified in the application) as of this certification date; and*
- (iii) *the taxpayer has incurred adequate basis in accordance with all applicable regulations under the Code to qualify for a carryforward allocation because the eligible costs creating the eligible basis specified in (i) exceeds ten percent of the reasonable expected basis in the project specified in (ii).*

Also attached is a questionnaire to be completed and return by 4:30 p.m. _____, 200 . Failure to submit the required information may result in the Agency not releasing the 200 Carryover Allocation Certificates and/or the Agency rescinding all prior reservations of Tax Credits. Please be advised that the Agency staff has determined not to permit accrued Developer Fees in excess of 20% of the Developer Fee stated in the Application for Tax Credits.

If your project has been or will be placed in service by December 31, 200 , please notify the Agency in writing by _____, 200 . A Financing Certification, Syndication Information Certification and Certificate of Costs will be forwarded to you for completion in order that your project may be reevaluated at the placed in service date and IRS Form 8609 forwarded to you before December 31, 200 .

Please note the reprocessing change language contained within the Taxpayer Carryover Certification in Section 6.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Louis Russell
Tax Credit Manager

Enclosures